

HIGHLIGHTS
of the
2000 Second Extraordinary Session
of the
Louisiana Legislature



Prepared by:
House Legislative Services
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ADMINISTRATION OF CRIMINAL JUSTICE

GAMING

HB 16 by Martiny *(Last Action – Failed to Pass/House)*

Would have limited matters regulated by the Louisiana Gaming Control Law that require a public hearing.

HB 17 by Martiny *(Last Action – Sent to Governor)*

Limits the number of video draw poker devices to a total of nine when more than one restaurant, bar, tavern, cocktail lounge, or club is located within a single business structure and when one person has an ownership interest in those facilities.

APPROPRIATIONS

APPROPRIATIONS BILLS

HB 1 by LeBlanc - General Appropriation Act- *(Last Action – Enrolled)*

General Financing

Appropriations are in balance with projected revenues for the coming fiscal year. The total FY 2000-2001 budget is \$13.9 billion, of which \$6.1 billion is State General Funds (SGF). The State General Fund budget includes some \$333 million in appropriations supported by sales and use tax exemption suspensions continued in the First Special Session and recognized by the Revenue Estimating Conference on May 11, 2000. The budget also now includes \$249 million in appropriations supported by additional revenues recognized by the Revenue Estimating Conference on June 16, 2000. Of that amount, \$211 million came from Revenue measures passed in the Regular Session, including: tobacco taxes (\$15 million), exemptions suspended on the 4th cent of sales and use taxes (\$110), and a reduction in excess itemized deductions and elimination of the education tax credit from personal income taxes (\$88 million). The Conference also recognized additional mineral revenues.

Statewide Reductions

The enrolled budget incorporates a reduction of over 3,200 positions throughout all state departments. With the addition of new positions, primarily in corrections, the net position reduction is about 2,260. To minimize the need for layoffs, agencies have until April 1, 2000, to meet their new number of authorized positions. Also, preamble language authorizes limited authority to the commissioner of administration to transfer up to 15% of the remaining positions and the associated funding within departments to address service demands and up to 25% with approval of the Joint Legislative Committee on the Budget. Further authorizes transfers between departments of up to 25% of positions and associated funding with approval of the commissioner and Joint Budget Committee. All such transfer authority is limited to the personnel authorizations contained in the Executive Budget recommendation.

The Tobacco Tax Assistance Program (\$10.8 million) to municipalities throughout the state and five parishes was totally eliminated from the budget. The Parish Transportation Program, compared to the current fiscal year, was reduced \$12.3 million to a total of \$38.7 million.

General Government

The DARE Program is funded at \$3.9 million which is a 10% reduction from the prior year level. The Long Term Care Assistance Program (\$6.4 million) which provided supplements to certain nursing home residents is eliminated. Funding in the La. Commission on Law

Appropriations

Enforcement for TRIAD Services for the Elderly, academy certification, enhanced training, and crime lab upgrades was eliminated. Urban and Rural Development are both fully funded.

In the Treasurer's Office, \$1.1 million was transferred from the Department of Revenue to implement the transfer of the unclaimed property program.

In Agriculture, full funding is provided for Soil and Water Conservation (\$2.4 million). The Formosan Termite Program is reduced to \$2 million from last year's level of \$6 million, the Commodities Storage Program is reduced by ½ to \$2 million, and Animal Health and Agro-Consumer Services were reduced by about 20%.

In Economic Development, SGF was appropriated from the LEDC Fund in the amount of \$962,000 to provide funding to various regional economic development entities serving all areas of the state, as follows: Metrovision (\$450,000), South Louisiana (\$150,000), Macon Ridge (\$250,000), and Northeast and Northwest La. (\$112,000). \$5 million in funding is provided for the Economic Development Award Program contingent upon a transfer of funds from the LPFA.

Within the Department of Public Safety and Corrections, funding for Sheriff's Housing of State Inmates was increased by \$18.2 million for the addition of 2,027 jail beds. However, nearly \$4 million was cut from the inmate housing monies to support the restoration of the DARE program. Corrections Services also received additional \$14.3 million for increases associated with the Juvenile Justice Settlement (additional funding of \$5.4 million is in the Capital Outlay budget for equipment and construction) and \$5.2 million for salary increases. In the Office of Motor Vehicles, additional fees were generated (\$6.1 million) to provide funding for equipment acquisitions and computer upgrades.

Full funding for Supplemental Pay to police, firemen, and deputy sheriffs was restored. For the first time, funding was provided to the New Orleans Center for the Creative Arts totaling \$4.1 million.

Education

K-12 Education

The FY 00-01 Tuition Opportunity Program for Students (TOPS) budget is projected at \$85.6 million for 34,212 awards and an increase in tuition authorized in the 2nd Extraordinary Session. This represents a \$19 million increase compared with projected expenditures of \$67 million and 28,000 awards for FY 99-00. The Senate reduced the TOPS appropriation by \$4.4 million.

The School and District Accountability Program budget is approximately \$14.3 million. Included are \$7.5 million for Summer School and High Stakes Remediation, \$3 million for

Appropriations

School Improvement Awards, \$2 million for Early Intervention Programs, and \$1.8 million for 4th and 8th Grade Remedial Alternative School Programs.

The FY 00-01 MFP has an increase of \$25.6 million to fully fund the new formula.

The K-3 Reading and Math Initiative has \$14 million State General Fund and \$9 million Federal Funds for FY 00-01. FY 99-00 funding contained \$19.6 million State General Fund and \$5 million Federal Funds.

Nonpublic Educational Assistance funding is approximately \$28 million. Type 2 Charter Schools are funded at \$13.2 million for 2,741 students.

Provides language authorizing the State Superintendent of Education to transfer between State Activities and Subgrantee Assistance up to 2.5% of total SGF appropriations for these schedules.

Higher Education

The Board of Regents received \$11.9 million for formula enhancements, with \$809,000 of this amount to be allocated as a match of federal funds for the Southern University Agricultural Extension and Research Programs. \$1.5 million was appropriated for the Emerging Community College Pool, with not less than \$250,000 allocated to the Delta Community College.

The Gene Therapy Initiative (\$2.5 million) and the LSUHSC Cancer Center (\$5 million) were funded with State General Funds rather than Tobacco Funds. Independent institutions of higher education received funding of \$4.3 million.

An additional \$12.7 million State General Fund was appropriated to the LSUHSC for operating expenses to correct the funded distribution between the New Orleans and Shreveport campuses. An appropriation of \$2.4 million was made for the operating and personnel expenses of the Clinical Sciences Building located at the New Orleans campus of the LSUHSC. The Louisiana Kidney Health Care Program received an appropriation of \$300,000 State General Fund.

Encephalitis Testing (\$100,000) was transferred from the Office of Public Health to the LSU School of Veterinary Medicine.

Health and Welfare

The total Medicaid budget for FY 2000-01 is \$3.522 billion, compared with \$3.498 billion for FY 1999-00 after mid-year adjustments related to cuts and other changes. State funds for Medicaid total \$1.030 billion, of which \$888 million is from State General Fund and \$135 million is from Statutory Dedications.

Appropriations

Private Provider Payments total some \$2.27 billion. This amount is sufficient to restore the 7% rate cuts and some of the targeted cuts made in FY 1999-00. It also provides \$30.2 million for paying hospital cost settlements. Some \$9.4 million is appropriated for expanding LaCHIP (children's insurance) to include children from families with incomes up to 200% of Federal Poverty level (\$34,100 for a family of 4) beginning early in 2001. This expansion will provide coverage for an estimated 1,100 children who are on the MR/DD waiting list. Another \$9.1 million will fund a new waiver program for children under 19 who would meet TEFRA eligibility requirements. Some 500 to 800 children will be served in the first year. Other funded rate adjustments include nursing home and ICF/MR inflation, adult dentures and children's dental care, physicians, home health and ambulance transportation. Pharmacy is also funded, but will continue recent cuts to the retail drug cost reimbursement, which should not affect persons covered by Medicaid or LaCHIP.

Rural hospitals payments return to original FY 1999-00 levels and include several enhanced payments (total - \$36.2 million) if DHH is successful in implementing the financing mechanism which relies on intergovernmental transfers. It is likely to take several months before federal Medicaid authorities grant final approval, however.

Care Coalition providers will benefit from several of these increases, including: Nursing home/ICF/MR inflation adjustments, hospital cost settlements, physicians, dental, and ambulance rate adjustments.

The major continuing reductions from the current year are crossover payments, hospital length of stay and initial payment reductions, and reduced drug payments to chain pharmacies. Other reductions continue for psychiatric rehabilitation, nursing home and ICF/MR leave days, and reductions in payments for durable medical equipment. Also, the budget does not restore the elimination of adult chiropractic and private substance abuse clinic services for FY 2000-01.

These changes continue the trend of expanding Medicaid coverage for children and disabled persons, while controlling cost and utilization in other parts of the Medicaid program.

Public Providers and Uncompensated Care payments are changed little from this year after adjusting for the 27th pay period that affects DHH agencies and HCSD hospitals in FY 1999-00 only. Appropriations for Public Provider payments for FY 2000-01 are \$388.1 million, and Uncompensated Care payments are \$779.2 million, which is less than a 1% growth compared with FY 1999-00. Despite stable payment levels, many DHH agencies will have to make personnel reductions due to the Governor's mandated positions cuts.

In Public Health, total funding was increased by \$8.2 million, including major increases for school-based health services (\$1.6 million) and Nurse Home Visitation (\$1.6 million). However, reductions in SGF funding levels may affect the Maintenance of Effort requirements for federal block grants and could affect future federal funding levels.

Appropriations

Language in the enrolled bill allows DHH to reorganize the five existing mental health agencies into three regional agencies and one state office. The three regional agencies will integrate what are now independent hospital and community programs. \$8 million is provided for increased funding for court-ordered mental health treatment serving Orleans Parish jail inmates. Other significant changes include: increased funding for anti-psychotic drugs (\$2.4 million) and restoration of personnel reductions to avoid clinic closures (\$3.5 million).

Total funding of \$168 million is provided for the various developmental centers; this brings the total funding for FY 2000-01 to within 1% of the FY 1999-00 level.

With position restorations, funding to the Charity Hospitals throughout the state is restored to approximately the level recommended in the FY 2000-01 Executive Budget.

Louisiana Rehabilitation Services in the Department of Social Services is appropriated a total of \$73 million and 450 positions, of which Vocational Rehab Services will receive a total of \$63 million, supporting 404 positions, to draw available Federal funds.

HB 28 by LeBlanc, et al. - FY 1999-2000 Appropriations *(Last Action – Enrolled)*

Amends the General Appropriation Act for the 1999-2000 FY by adding a new Section 17.1 which appropriates State General Funds for the following items:

- | | |
|---|-------------|
| (1) Louisiana Medical Assistance Trust Fund | \$8,917,402 |
| (2) Pay judgment in "Northwest Louisiana Production Credit Association v. Secretary, Department of Revenue", Nos. 4638 and 5213 on the docket of the Board of Tax Appeals | \$ 303,253 |
| (3) For the Subgrantee Assistance Program (19-681) within the Department of Education, for the Professional Improvements Program | \$ 200,584 |

Effective June 29, 2000.

HB 3 by LeBlanc - Judicial Expense Bill *(Last Action – Enrolled)*

Provides for the expenses of the judicial branch of government as follows:

- | | |
|--|----------------|
| (1) Louisiana Supreme Court | \$25,781,631 |
| (2) Courts of Appeal | 25,824,556 |
| (3) District Courts | 20,008,383 |
| (4) Criminal Court, Parish of Orleans | 3,616,044 |
| (5) Juvenile and Family Courts | 1,560,960 |
| (6) Other Courts (Required by Statute) | 1,824,897 |
| (7) Other Courts (Not Required by Statute) | <u>322,393</u> |

Appropriations

TOTAL

\$78,938,864

Of the \$78,938,864 appropriated herein to the Judiciary, \$73,427,419 is from the State General Fund, \$4,000,000 is from the Judges' Supplemental Compensation Fund, \$1,501,445 is from the Trial Court Case Management Fund, and \$10,000 is from the Patient's Compensation Fund.

Effective July 1, 2000.

OTHER BILLS

HB 30 by Stelly (*Last Action – Enrolled*)

Revises provisions of House Bill No. 295 of the Regular Session as passed by the Legislature which creates the Education Enhancement Fund in the state treasury. HB 295 changes individual income tax rates and brackets and repeals sales tax on food and utilities and requires the state treasurer to pay into the fund those monies received by the state treasury pursuant to those provisions which are in excess of a base amount. The base amount is the total amount of monies collected under the provisions of prior law for FY 2000-01 plus an inflation factor, a growth factor, and \$440 million, all as determined by the Revenue Estimating Conference.

House Bill No. 30 retains provisions of House Bill No. 295 relative to deposit of monies into the fund. It provides that not less than 80% of the monies in the fund shall be used for pay increases for elementary and secondary school personnel and faculty and staff of postsecondary institutions in amounts as determined by the legislature. Requires consideration of what is paid to classroom teachers in other SREB member states. Restricts the use of remaining monies for instruction, research, and other needs of public education.

Effective January 1, 2001, but only in the event that the electors of the state approve the constitutional amendment which originated as House Bill No. 73 of the 2000 R.S.

HB 24 by Alario (*Last Action – Enrolled*)

Retains authority of the state treasurer to use, loan, or borrow monies in any fund in the treasury except certain constitutionally created funds to make payments from the state general fund but removes, for the period June 30, 2000 through June 30, 2001, the requirement that such interfund borrowing must be repaid by August 15 of each year.

Reimposes the August 15 repayment deadline requirement effective for fiscal years beginning July 1, 2001.

Appropriations

Repeals provisions of Senate Bill No. 85 of the 2000 R.S. which suspended interfund borrowing and repayment provisions until June 30, 2001.

EDUCATION

TUITION/FEES

HB 10 by DeWitt and Clarkson *(Last Action - Sent to governor)*

Nonresident Students:

Authorizes each public postsecondary education management board to establish tuition and mandatory attendance fee amounts at an institution under its supervision and management that at least equal the average amount of such annual charges for the ensuing fiscal year at comparable institutions in states comprising the Southern Regional Education Board (SREB), excluding Louisiana. Provides that such amounts shall be based on the latest available information that is obtainable by the Bd. of Regents from SREB.

Louisiana Students:

Authorizes a \$250 maximum increase in tuition amounts that are in effect (for an academic year time period) on June 28, 2000, for each of the state's public colleges and universities, except La. Technical College. Authorizes a \$100 maximum increase in the tuition amount (for a comparable time period) for La. Technical College.

All Students:

Requires each management board, prior to imposing any increase(s) in tuition or mandatory attendance fee amounts pursuant to HB 10, to establish criteria for waivers of such increase(s) in cases of financial hardship. Specifies that information about such waivers and the criteria and procedures for obtaining a waiver must be made available to all affected prospective students in a timely manner such that the prospective student can be aware of the increase(s) and the availability of waivers prior to the student having to make any final decision concerning attendance at the college or university.

Exempts any joint apprenticeship program from an increase in tuition or mandatory attendance fee amounts established pursuant to HB 10.

LSU AT ALEXANDRIA

HB 10 by DeWitt and Clarkson *(Last Action - Sent to governor)*

Authorizes the Bd. of Regents to provide for the conversion of LSU at Alexandria to an institution offering baccalaureate degrees subject to approval by 2/3 of the elected members of each house of the legislature.

Education

HB 4 by DeWitt and Hebert (*Last Action - House Committee*)

HB 9 by Riddle (*Last Action - Failed to Pass/House*)

Would have established LSU at Alexandria as an institution that offers baccalaureate degrees. Required the Bd. of Regents to provide for the conversion and specified that such conversion was subject to the appropriation of funds necessary to accomplish this purpose.

ADMINISTRATIVE SALARIES - COLLEGES AND UNIVERSITIES

HB 10 by DeWitt and Clarkson (*Last Action - Sent to governor*)

Provides (notwithstanding any law to the contrary) that any increase in salary for an administrator of any public college or university or of any postsecondary education management board shall comply with the administrative salary policy guidelines adopted by the Bd. of Regents.

NATURAL RESOURCES

HB 12 by Daniel *(Last Action – Sent to governor)*

The bill increased the fees charged for numerous hunting and fishing licenses as follows:

<u>License</u>	<u>From</u>	<u>To</u>
Resident Basic Fishing	5.50	9.50
Resident Basic Hunting	10.50	15.00
Senior Resident Hunting and Fishing (applicable to those who turn 60 on or after 6/1/00)		5.00
Resident Big Game	10.50	14.00
Non-Resident Fishing (Season)	31.00	60.00
Non-Resident Fishing (3-day)	20.00	30.00
Non-Resident Saltwater Fishing (Season)	36.00	50.00
Non-Resident Saltwater Fishing Trip (3-day)	20.00	40.00
Non-Resident Charter Passenger Fishing Trip	2.50	5.00
Non-Resident Hunting (Season)	86.00	200.00
Non-Resident Hunting (Trip)	51.00	100.00
Non-Resident Migratory Bird Hunting (3-day)	45.00	75.00
Non-Resident Bow Hunting	25.50	50.00
Non-Resident Muzzleloader Hunting	25.50	50.00
Non-Resident Waterfowl Hunting	13.50	25.00
Non-Resident Wild Turkey Hunting	10.50	20.00
Non-Resident Big Game Hunting (Season)	160.50	225.00
Non-Resident Big Game Hunting (Trip)	95.50	110.00
Louisiana Sportsman's Paradise License		100.00
WMA Hunting (18 to 59 years old)		15.00
Infant Lifetime Hunting/Fishing (age up to 5)		200.00
Boat Registration (Initial) (3 year)	15.00	
Boat Registration (14 foot and under) (3 year)		20.00
Boat Registration (over 14 ft. to 18 ft.) (3 year)		25.00
Boat Registration (over 18 ft.) (3 year)		30.00+\$2/foot over 18 ft.
Boat Registration Handling fee		3.00
Boat Registration Renewal (3 year)	10.00	same as initial
Boat Registration Reinstatement (3 year)	15.00	same as initial

The Louisiana Sportsman's Paradise license covers all recreational fishing, including gear licenses, and hunting requirements except the federal duck stamp. Includes WMA hunting permit.

Natural Resources

WMA hunting permit revenues are designated for use in the maintenance and operation of the wildlife management areas.

Requires around the clock enforcement coverage of the State Wildlife Refuge in Vermilion Parish.

Effective upon signature of governor.

SEISMIC SURVEYS

HB 33 by Daniel *(Last Action – Sent to governor)*

Provides for the granting of exclusive and nonexclusive permits to conduct geophysical and geological surveys on state-owned lands, including lands under the jurisdiction of the Wildlife and Fisheries Commission. Fees for nonexclusive permits are set by the State Mineral Board between \$5 and \$30, based on current market value. Exclusive permits are granted by the public bid process.

Provides that the Department of Wildlife and Fisheries receives all revenue from surveys on properties under the jurisdiction of the Wildlife and Fisheries Commission. The department also receives 20% of nonexclusive and \$5 per acre of exclusive permits granted on other state owned lands. The remainder of the revenue is to be deposited into the Department of Natural Resources' Audit and Collection Fund. Provides for holders of seismic permits to furnish seismic data to the Department of Natural Resources and for the confidentiality of the data. Provides for fees for supervision by the Dept. of Wildlife and Fisheries of seismic crews.

Further provides that \$10 per acre of state land leased for mineral exploration be collected from the lessees and deposited into the Conservation Fund and, likewise, \$5 per acre collected and deposited into the Oil and Gas Regulatory Fund.

RETIREMENT

REEMPLOYMENT OF RETIREES

HB 18 by Crane (*Last Action - Sent to governor*)

Relative to the Teachers' Retirement System (TRS).

Changes the law applicable to certain retirees who participated in the Deferred Retirement Option Plan (DROP) prior to retirement and then become reemployed. Only applies to a DROP retiree who: (1) retired from service as a faculty member of a public institution which awards academic degrees at the baccalaureate level or higher who provided classroom instruction to students, (2) is or was at least age 62 upon retirement, and (3) is reemployed as a faculty member who provides classroom instruction to students at the same institution from which he retired. Provides that any such retiree who earns more than 50% of his average final compensation during the 12-month period, is subject to a reduction of his retirement benefits in the following 12 months so that the total reduction equals $\frac{1}{2}$ of the amount earned in excess of 50% of his average final compensation. Requires the employer to submit certain reports to TRS, subject to penalty for failure to do so.

Requires the Public Retirement Systems' Actuarial Committee (PRSAC) to report the annual actuarial cost to TRS which is associated with the reemployment of covered retirees and to notify each respective public institution of that institution's responsibility to pay its share of the total cost based upon the retirees which it reemploys. Allows each public institution a period of one year from receipt of notice to remit the total amount of funds due and owing by it to TRS. Provides that amounts due are to be paid from funds available to affected public institutions at no additional cost to the state.

Provides that the statutory authority to reemploy a retiree under the provisions of this bill ceases on 01/01/2005, but provides for continued service by retirees who were initially authorized to be reemployed under the provisions of this bill and who are still in service on 12/31/2004.

JUDGES' BENEFITS

HB 26 by Pratt (*Last Action - Sent to governor*)

Relative to the Louisiana State Employees' Retirement System (LASERS), provides relative to benefits for certain judges.

Changed from December 31, 1996 to June 30, 1995, the date on which a judge must have been serving in a court of record in order to be eligible for early judicial retirement benefits. Retains other requirements for such early retirement benefits, namely: (1) the judge is or was a judge of a civil district court or criminal district court in a parish that has separate civil and

Retirement

criminal district courts, (2) was eligible for retirement under the regular judicial retirement provisions on or before December 31, 1996, and (3) the division or section of the court in which the judge served is situated within a state circuit court of appeal of which a member was certified by the judicial administrator of the Louisiana Supreme Court to be covered by the early judicial retirement incentive provisions, based on such member's application for retirement submitted before December 31, 1993.

TRANSPORTATION, HIGHWAYS AND PUBLIC WORKS

DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

HB 7 by Diez (*Last Action -Enrolled*)

Authorizes the position of assistant secretary for the office of planning and programming at the Department of Transportation and Development to be filled by a licensed engineer or an urban or regional transportation planner, who, at a minimum, has earned a bachelor's degree.

Authorizes the assistant secretary for the office of planning and programming, with the approval of the secretary, to designate a member of the senior staff within the office of planning and programming to perform any duties required of the assistant secretary in his absence.

WAYS AND MEANS

SALES AND USE TAX

HB 31 by Alario *(Last Action – Enrolled)*

Makes suspension of exemptions to one percent of the state sales and use tax, as provided for in HB 140 of the 2000 Regular Session, ineffective on June 30, 2001, instead of on June 30, 2002, if and when the constitutional amendment contained in the Act which originated as HB 73 of the 2000 Regular Session is adopted by the people and becomes effective.

HB 27 by Johns *(Last Action – Enrolled)*

Authorizes a tax refund for local sales and use taxes paid on the sale, lease, or rental of tangible personal property paid by or under provisions of Medicare. Current law provides for a similar refund for state sales and use taxes.

INDIVIDUAL INCOME TAX

HB 25 by McMains *(Last Action – Enrolled)*

Requires composite individual income tax returns and composite income tax payments by certain noncorporate entities under certain circumstances.